DOCUMENT RESUME

ED 464 184 UD 034 961

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TITLE The Characteristics of Families Remaining on Welfare. Working Paper. Welfare, Children, and Families: A Three-City Study.

INSTITUTION Johns Hopkins Univ., Baltimore, MD.

SPONS AGENCY Kellogg Foundation, Battle Creek, MI.; Robert Wood Johnson Foundation, Princeton, NJ.; Henry J. Kaiser Family Foundation, Menlo Park, CA.; David and Lucile Packard Foundation, Los Altos, CA.; John D. and Catherine T. MacArthur Foundation, Chicago, IL.; Mott (C.S.) Foundation, Flint, MI.; Commonwealth Fund, New York, NY.; Joyce Foundation, Chicago, IL.; National Inst. of Child Health and Human Development (NIH), Bethesda, MD.; Woods Fund of Chicago, IL.; Texas Univ., Austin. Hogg Foundation for Mental Health.; Lloyd A. Fry Foundation, Chicago, IL.; Edna McConnell Clark Foundation, New York, NY.; Boston Foundation, MA.; Social Security Administration (DHHS), Washington, DC.; Office of the Assistant Secretary for Planning and Evaluation (DHHS), Washington, DC.; Annie E. Casey Foundation, Baltimore, MD.; Administration on Developmental Disabilities (DHHS), Washington, DC.; Administration for Children and Families (DHHS), Washington, DC.; National Inst. of Mental Health (DHHS), Rockville, MD.

REPORT NO JHU-WP-02-02

PUB DATE 2002-02-00

NOTE 72p.; Also supported by the Kronkosky Charitable Foundation. An error on the title page identifies this as the Background Paper to Policy Brief 02-01; the correct number for the Brief is 02-2. For this brief, see UD 034 960.

AVAILABLE FROM Welfare, Children and Families Study, Johns Hopkins University, 3003 North Charles Street/Annex, Suite 300, Baltimore, MD 21218-3855. For full text: http://www.jhu.edu/~welfare/welfare_publication.html.

PUB TYPE Reports - Research (143)

EDRS PRICE MF01/PC03 Plus Postage.

DESCRIPTORS Child Welfare; Employment Patterns; *Family Characteristics; *Females; Poverty; *Welfare Recipients; *Welfare Services

IDENTIFIERS Illinois (Chicago); Massachusetts (Boston); Temporary Assistance for Needy Families; Texas (San Antonio)

ABSTRACT

This paper reports the characteristics of women who have remained on Temporary Assistance for Needy Families (TANF) in Boston, Chicago, and San Antonio. Data come from the Three-City Study of 2,400 low income families with children. The study collected data on employment, income, family structure, and caregiver characteristics. Results indicate that these women have average employment rates of 18 percent and poverty rates of 85 percent. These compare to an employment rate among TANF leavers of about 60 percent and a poverty rate of about 70 percent. About 40 percent of stayers have less than a high school education, and many suffer from high levels of depression and domestic violence. These characteristics do not

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differ greatly from those of TANF leavers. They are more likely to report being in poor health than are leavers. Employed recipients have higher levels of education and better health than nonemployed recipients. They also have significantly higher income because their earnings are not fully offset by lower benefits. Nonemployed recipients nevertheless have higher incomes than nonemployed leavers, who have neither earnings nor TANF benefits. Two appendixes describe the Three-City Study and examine welfare policies in the three cities. (Contains 18 tables and 16 references.) (SM)

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The Characteristics of Families Remaining on Welfare

Background Paper to Policy Brief 02-01
"The Characteristics of Families Remaining on Welfare"

by

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February, 2002

WELFARE, CHILDREN, AND FAMILIES: A THREE-CITY STUDY

WORKING PAPER 02-02

The authors would like to acknowledge the contributions of the co-principal investigators of the Three City Study for repeated group discussions of the content of this report, which is a collaborative effort, as well as the contributions of the research associates who were most heavily involved in the discussions. They are Ronald Angel, P. Lindsay Chase-Lansdale, William Julius Wilson, Rebekah Levine Coley, and James Quane. Financial support received from the organizations listed in Appendix A is also gratefully acknowledged.

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Executive Summary

Women remaining on TANF in three cities--Boston, Chicago, and San Antonio--have average employment rates of 18 percent and poverty rates of 85 percent. These compare to an employment rate among TANF leavers of about 60 percent and a poverty rate of 70 percent, on average. About 40 percent of stayers have less than a high school education, and many suffer from high levels of depression and domestic violence; these characteristics do not differ greatly from those of TANF leavers. They are more likely to report being in poor health than are leavers.

Employed recipients have higher levels of education and better health than nonemployed recipients. They also have significantly higher income because their earnings are not fully offset by lower benefits. Nonemployed recipients nevertheless have higher incomes than nonemployed leavers, who have neither earnings nor TANF benefits.

The historically unprecedented wave of welfare reforms sweeping the country in the early 1990s, embodied in the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA), has brought the most drastic and deep-seated changes in the welfare system for single mothers since the inception of the AFDC program in 1935. An equally unprecedented decline in the welfare rolls has accompanied this wave of reform. Nationwide the caseload of the AFDC-TANF program has dropped more than 50 percent since 1994. This caseload decline has been the result not only of a strong economy and low unemployment rate, but also of policy developments that have expanded the benefits of the Earned Income Tax Credit and other programs for nonwelfare recipients. But welfare reform has played a major role in the caseload decline as well.

Research on the effects of welfare reform has taken several directions. Some studies have focused on broad trends of the single-mother population as a whole, documenting how that group has fared over time, before and after reform. However, a larger body of studies have examined women who have left welfare since reform began and have examined how such welfare "leavers" have fared in terms of employment, income, and many other outcomes (Brauner and Loprest, 1999; Acs and Loprest, 2001). These studies of welfare leavers constitute the largest single body of research on welfare reform. Taken as a whole, these studies indicate that welfare leavers have experienced fairly high employment rates--generally in the range of 50 percent to 70 percent--and moderately high wage rates and earnings. However, their earnings have only been slightly greater than the welfare benefits they have lost and their incomes as a whole have risen only modestly. In addition, as the Three-City Study report on leavers

emphasized, there is significant variation around the average outcomes, as some women and families have done relatively well after leaving welfare but others have not done well, experiencing low levels of income and employment (Moffitt and Roff, 2000a, 2000b).

In this paper we report the characteristics of women who have remained on TANF after welfare reform in Boston, Chicago, and San Antonio. As the Congressional debate over reauthorization approaches and as discussions of welfare reform evolve, attention has increasingly focused on those who remain on the welfare rolls in the expectation that that group includes the most disadvantaged families with the greatest difficulties in leaving welfare and obtaining employment. While, as already noted, some studies have shown that a significant number of welfare leavers also have experienced low levels of employment and income, it should be expected that even more of those still on TANF have done so.

Several past studies have already focused on the characteristics of these welfare "stayers" (see Smith, 2001, for a review). Those studies show that welfare stayers are indeed more disadvantaged than welfare leavers, for example. Many have a considerable number of so-called "barriers" to employment, consisting of low levels of education, health problems, lack of work experience, difficulties with child care and transportation to work, and high levels of substance abuse and domestic violence. Other studies have indicated, however, that the level of average disadvantage among recipients has not increased much over time (Moffitt and Stevens, 2001; Oellerich, 2001; Smith, 2001; Zedlewski and Loprest, 2001), possibly because sanction and other policies have led some of the more disadvantaged families off the rolls, or because earnings disregards and other policies which encourage women with work skills to receive benefits while being employed have led some of the less disadvantaged families to stay on welfare. However,

other evidence suggests that there has been some increase in average disadvantage even though smaller in magnitude than expected and concentrated in particular groups, such as younger TANF recipients (Moffitt and Cherlin, 2001).

The Three-City Study brings new evidence to the study of TANF stayers not available in prior work. Unlike studies using administrative data from welfare records and other government databases, the household survey data in the Three-City Study permits a comprehensive examination of sources of income of stayers from all sources. Our survey also collected information on domestic violence, functional disability, depression, network support, and other noneconomic measures of disadvantage, unlike many available surveys. In addition, in our study we pay particular attention to the diversity and heterogeneity of the caseload in an attempt to move away from solely examining average outcomes of stayers, as have the majority of previous studies. Only by examining differences among stayers can the presence of more disadvantaged segments of the caseload be detected. We focus particularly on the differences between employed and nonemployed stayers, a focus that is also absent from most prior work. An exception is work reported by Danziger (2001), who compared employed stayers to employed leavers and found them to be more similar to each other than employed stayers and nonemployed stayers. We will reexamine this issue with our data as well. Finally, the Three-City Study has a unique ethnographic component which will allow us to flesh out the circumstances of different types of stayers in the rich context and full complexity of their individual lives.

Our paper is organized as follows. After discussing the Three-City Study itself, we describe the characteristics of stayers as a whole in our data, including income, employment, and many noneconomic indicators. We then examine differences within stayers in these

characteristics and, in so doing, concentrating on differences between employed and nonemployed stayers. Then we compare stayers to leavers in terms of their characteristics in order to provide yet another form of comparison to throw the characteristics of stayers into sharper relief. Finally, we present four cases from our ethnography which illustrate in detail the variety of reasons different women come to be on welfare and their differing prospects for employment and leaving the welfare rolls.

I. The Three City Study

Our findings are based on the experiences of women on the TANF rolls in Boston, Chicago, and San Antonio, three large cities in the U.S. with differing populations and located in states with a range of welfare policies. The Three-City Study (see Appendix A) is a longitudinal survey of approximately 2,400 low-income families with children who are living in low- and moderate-income neighborhoods in these three cities. The first wave of data collection took place between March and December 1999 and is used for this paper. The survey includes information on welfare and nonwelfare families, but for the purposes of this brief we examine data only for those women who were on the rolls sometime in the two years immediately prior to the interview (approximately 1997 to 1999) and who were still on the TANF rolls as of the 1999 interview date. The survey collected a wide range of information on employment, income, family structure, and characteristics of the caregiver (usually the mother) of the children in the family. Given that this range of information is considerably broader than the data sources that have been used for most other welfare leaver studies, we are able to document more fully how stayers are faring.

The ethnographic component of our study consists of data gathered on a monthly basis since September 1999, from an additional 242 African-American, Hispanic, and non-Hispanic-white families residing in the same low-income neighborhoods as the survey respondents. As in the survey component, all families have household incomes that are below 200 percent of the federal poverty line. Roughly half of these families were receiving TANF benefits at the time they agreed to participate in the study, and most had at least one child 2 to 4 years of age. Families were to be visited over a 12-to 18-month period. The fieldworkers observed family life and conducted a series of semi-structured interviews on topics such as health and use of public assistance programs. The findings reported here reflect the experiences of these families during their first year of participation in this ongoing ethnography.

The economy has improved and the welfare rolls have plummeted in all three states in which our cities are located, as they have nationally. Figure 1 shows the per capita TANF recipiency rates in our three states from 1990 to 2001 along with that in the nation as a whole. While Illinois had the highest per capita caseload in 1991 and Texas, the lowest, the three have converged over time and are now approximately the same and are all slightly below the national average. City-specific figures (not shown) indicate that the percentage drops in the TANF caseload from 1994 to 1999 were 46 percent, 53 percent, and 50 percent in Boston, Cook County, and Bexar County, respectively, quite similar to each other (Allen and Kirby, 2000). Figures 2 and 3, which illustrate trends in the unemployment rate and employment-population ratios in our three states, respectively, again show strong similarity, although Massachusetts has had the strongest employment growth and greatest unemployment decline of the three. Also, as for the nation as a whole, unemployment rates are now rising and had begun to do so in 2000 or

sometimes in 1999 and employment growth rates have slowed or turned negative (this slowdown postdates the data we will analyze in this paper). Our three cities can, therefore, be regarded as not very different from the rest of the country in these broad patterns of caseload and economic growth.

The populations of the three cities are somewhat different from one another, with a greater number of Puerto Rican Hispanics in Boston and a greater number of Mexican-American Hispanic families in Chicago and San Antonio. Since relatively few low-income Non-Hispanic White families live in disadvantaged city neighborhoods in Chicago and San Antonio, we draw most of our families of that group from Boston. Our sample includes Non-Hispanic Black families from all three cities.[1]

The TANF policies in the three cities also differ (see Appendix B). Massachusetts has one of the shortest time limits in the country (two years out of every five) but, at the same time, exempts a large number of those families from the time limits and also has not, at this writing, imposed a lifetime limit. Massachusetts also has a fairly strict sanction policy and a family cap. Texas is a relatively low-benefit state compared to the nation as a whole and has one-, two-, and three-year time limits (four including a one-year waiting period), though the state does give longer limits for those with greater employment difficulties and allows the "clock" not to start ticking until the recipient has been called by the employment agency and offered a slot. Earnings disregards are the least generous of those in our three states; it is a Work First state, and it has an official diversion policy. Illinois is a medium benefit state that has maintained the federal

[1] In the rest of the report, we refer to Non-Hispanic White families as "White" and Non-Hispanic Black families as "Black" for brevity.

maximum of five years of benefits but allows families to stop the clock indefinitely by working 30 or more hours per week. Work requirements are not imposed as quickly in Illinois as in the other states, and the state has no official diversion policy.

General characteristics of the Three-City sample are given in Tables C-1 and C-2 in Appendix C. Table C-1 shows that about one-third of the sample does not have a high school degree or General Equivalency Degree (GED). Most mothers are between 25 and 35 years of age, and one-third are married. About one-quarter are in fair or poor health. Across the cities, those women in Chicago are generally the most disadvantaged in terms of education and health, while those in Boston and San Antonio do not differ much in these characteristics (although San Antonio Hispanics report particularly poor levels of health). Across race-ethnic groups, the Hispanic population tends to have the lowest levels of education, followed by the Black population and then the White population (Boston is something of an exception, with a more educated Black population than White). Hispanic women tend to have the highest marriage rates.[2] [3]

Table C-2 shows that about 29 percent of the women in the population represented by our sample were on TANF at the first-wave interview date, about 12 percent were not on TANF at

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[2] These figures are weighted and hence represent the distribution of characteristics in the population that the sample represents, not the distribution of characteristics in the actual unweighted data. The actual unweighted data contain fewer married women and generally more women in poor health and of low education. See Appendix A.

[3] It would be preferable to disaggregate the Hispanic population by national origin, for different subgroups within the Hispanic population have been shown in past research to have very different characteristics. Unfortunately, our sample sizes do not permit it for this paper. As noted previously, Puerto Rican Hispanics are more represented in Boston and Mexican-American Hispanics are more represented in Chicago and San Antonio.

the interview but had been on within the two years prior to the interview, about 21 percent had been on TANF or AFDC at some point in their lives prior to the last two years, and 37 percent had never been on TANF or AFDC.[4] Overall, welfare recipiency is more prevalent in Chicago than in either Boston or San Antonio, although among race-ethnic groups this is the case for Whites and Blacks but not for Hispanics (among whom recipiency is most common in Boston).[5] Our focus in this paper will be on women still on TANF at the date of interview

II. Average Characteristics of Women Remaining on TANF

Our analysis sample consists of all women who were on TANF at some point in the two years prior to the interview date and still on TANF as of the interview date.[6] This definition is the mirror image of that of leavers, whom we define to be those women who were on TANF at any time within the two years prior to interview but not on TANF as of the interview. There are

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[4] As noted in n.4, these figures do not represent the composition of unweighted cases in our data. About 40 percent of our unweighted observations were on welfare at the interview date and about 20 percent had been on welfare in the last two years, for example. The oversampling of current and recent welfare recipients reflects the main aim of the study which is to study welfare reform. See Appendix A.

[5] Note that these race-ethnicity figures denote the fraction of the population that is on TANF, not the relative numbers of those race-ethnic groups among those who are on welfare. For example, there appear to be more blacks than Hispanics on welfare in Boston while Table C-2 shows that Hispanics have a higher welfare participation rate there; this implies that there are more blacks than Hispanics, in total, in Boston (at least among low income families in low income neighborhoods).

[6] The Three-City questionnaire collected two-year retrospective histories on employment and TANF participation. However, income was collected only for the month prior to interview. The stayers in this data set are long term recipients, for the most part: 80 percent were on TANF the entire two years prior to interview.

894 TANF stayers in our data.

Table 1 shows a number of basic characteristics of the stayers in the first column. The second column shows the means of the same characteristics for the women in our sample who were never on welfare either at interview or in the two years prior for a nonwelfare a standard of comparison (but still from a low income population). Three of the key findings are:

- Thirty-nine percent have not attained a high school degree or GED, more than those never on welfare.
- Over half (53 percent) have a child under 3, much more than those never on.
- About one-quarter (26 percent) have a functional disability, much more than those never on.[7]

These results are consistent with a large literature on welfare recipients. But the table also shows several additional measures which are more rarely available in most surveys. These include:

- *Depression.* Our measure is derived from six questions that constitute the depression

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[7] We constructed this measure from two questions. The first asks the respondent whether she has an ongoing physical or mental health problem or disability that prevents her from working. If her answer is negative, she is asked a second question: whether she has an ongoing physical or mental health problem or disability that limits her in the kind of work or amount of work that she can do. We consider a woman to have a functional disability if she answered yes to either of these questions.

scale of the Brief Symptom Inventory (Derogatis, 2000). We report the percentage of women who scored above a clinical cut-off indicating a possible need for mental health services.

- *Domestic violence.* We use a set of eight questions on types of violence, ranging from threats (did someone threaten to hit you?) to actual violence (use a weapon on you?). We report the percentage of women who said they had experienced any of the types of domestic violence.
- *Social network support.* The network support scale is constructed from a set of four questions asking whether the respondent can rely on people for various kinds of help. We report the percentage of mothers who have greater support than the median family in the entire sample.
- *Financial Security.* Our measure is based on a a financial strain index constructed from a set of 5 questions concerning ability to pay bills, purchase needed consumption items, and concerning borrowing money and running out of money. We report the percentage of women have less financial strain than the median value in the sample.
- *Food Security.* The food security scale is constructed from a set of 7 questions about lack of food, skipping meals, and related events. We report the percentage of women have less food insecurity than the median value in the sample.

As Table 1 shows,

- Women remaining on welfare have higher levels of depression than women never on

welfare and are more likely to have experienced domestic violence, and have less financial and food security

However, we find that they have equal levels of network support, possibly because those on welfare need to generate such support to make ends meet.

Tables 2,3, and 4 report the employment, income, and non-TANF government participation characteristics, respectively, of our TANF stayers, again in relation to those never on welfare. TANF recipients have much lower employment rates and work histories than nonrecipients. Only 18 percent are employed in our cities, considerably below the 28 percent national average (Oellerich, 2001, Table 3). Even in the current work-oriented welfare environment, only a minority of recipients work. When they work, they are less likely to be covered by health insurance on the job than nonrecipients as well.[8]

The employment rates are much higher among stayers in Chicago (32 percent) than among those in Boston and San Antonio (11 percent). This may be a result of economic incentives. Earnings disregards are the smallest in Texas, for example, possibly explaining its low employment rate. In Illinois, months in which recipients work 30 hours or more per week do not count against the five-year time limit (i.e., the clock "stops"), possibly explaining the higher employment rate there.

Household incomes of recipients are reported in Table 3. The key findings are:

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[8] Over the past two years, 55 percent never worked and only 10 percent worked more than 19 months.

- Total household income is only about $1,000 per month
- Earnings are only $89 per month, constituting less than a tenth of household income.
- The majority of their income comes from TANF, food stamps, and SSI; there is very little child support or financial help from friends and relatives.
- The poverty rate of our TANF stayers is 85 percent, including the EITC.

The EITC makes essentially no difference to the income levels or poverty rates of our welfare stayers because less than a fifth work and because the earnings of those who work are very modest.[9]

Those women never on welfare have higher incomes, as expected. The differences in income between the two groups arise mainly from earnings, which are only $160 per month in recipient households as compared to $718 per month in nonrecipient households. Recipient households have more income from virtually all non-TANF government transfer programs and have higher participation rates in those programs (Table 4), but this does not make up for the lower earnings. Nonrecipients do, however, have slightly more monthly income from child support payments. Recipient income is about 70 percent from transfer payments, though a nontrivial amount of household income (14 percent) comes from other family members.

[9] We calculate the potential federal EITC for each household from their household earnings and our estimate its filing status. We then use a question on our survey which asked respondents if they had filed taxes and had used the EITC when filing to assign EITC income to each household.

III. Heterogeneity Among Women on the TANF Rolls

There are many different subgroups within the TANF caseload which can be compared to each other. Here we examine differences by employment, education, health, race, marital status, and age.

Employment is a key dimension separating the caseload into different types, and a particularly important one for current reform. Table 5 shows the characteristics of those who work and those who do not while on TANF (recall that 18 percent of the caseload is in the first category and 82 percent in the second). We find that:

- Employed stayers have more education, are younger, have fewer young children, have lower levels of functional disability and slightly lower depression scores, and have higher levels of network support; but they also are more likely to have experienced domestic violence.

Table 6 shows income differences between working and nonworking recipients. The differences are quite large, about $500 per month, leading to much lower poverty rates among workers (72 percent) than among nonworkers (92 percent). Adding the EITC in lowers both poverty rates. Earnings are, naturally, much higher for working recipients than nonworking recipients, but the transfer payments of the former group are not that much lower, which is much of the reason that their overall incomes are much higher.[10] Interestingly, other household

[10] There is a very low implicit benefit-reduction rate implied by these figures, of about .10. This is possible because of earnings disregards, income-related deductions, and other features of the benefit formula that lower the rate. Studies which relate actual benefits to actual

members bring in more earnings for the working stayer households than into those with a nonworking stayer.

Table 7 shows income differentials by education, illustrating them for recipients with and without a high school diploma or GED. Interestingly, income differences are not very large, and are much smaller than income differences among leavers with different levels of education (Moffitt and Roff, 2000a, 2000b). Most likely, the more educated women who have obtained high earnings have left the TANF rolls already. Tables 8 and 9 show the income differences among recipients with different levels of self-reported health and different levels of functional disability, respectively. Interestingly, in both cases those in better health have slightly lower household incomes and higher poverty rates than those in poor health. While the former group has higher earnings, the latter has greater transfer income, particularly from SSI and Social Security disability.

Tables 10-13 show income differences of stayers by race, marital status, age of the mother, and age of children, respectively. While the income and poverty rate differences among the groups are not zero, nor are they very large. There are some differences by composition of income, however. For example, Hispanic recipients have more earnings and less transfer income than African-American recipients. Married recipients likewise have higher earnings, not only from other household members (e.g., the spouse) but also on their own, whereas unmarried recipients lean more heavily on transfer payments. Younger recipients have more earnings and less transfer benefits as well, possibly because they are less likely to be longtermers. Those

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income always yield benefit-reduction rates that are lower than nominal or statutory rates (Fraker et al., 1985; McKinnish et al., 1999).

with young children also tend to have relatively more transfer income and less earnings than those without young children.

Table 14 shows differences in income for recipients in our three different cities. Incomes are lowest and poverty rates highest in San Antonio, although Chicago poverty rates are not much lower. Interestingly, earnings of other household members are highest in San Antonio (partly the result of higher marriage rates there), but TANF benefits are much lower.

The overall conclusion to be reached by these tables is that, at least for most of the demographic characteristics we have examined--education, health, race, age, etc.--there is relatively little difference in the economic well-being of the households. By far the most important factor differentiating different recipients is instead whether they work. This generates much larger differences in income because of the higher earnings of working recipients combined with transfer payments that are lower but which do not offset higher earnings. The employment dimension is therefore the most important.

IV. Comparisons to Leavers

Next we compare our stayers to leavers. Table 15 shows the differences in characteristics between the two groups. As found in other studies of these comparisons, stayers appear to be somewhat more disadvantaged than leavers in some ways. Recipients have lower levels of education, for example, as well as higher levels of functional disability. But they are very similar in other dimensions, such as age, presence of young children, marital status, family size, race, domestic violence, financial strain, and network support (though they have slightly greater levels of depression and lower levels of food security). There are city differences, reflecting

differences in the rate of leaving across our cities (Moffitt and Roff, 2000b). The largest difference is simply in employment, with 18 percent of stayers working but almost 60 percent of leavers doing so. At least by the characteristics we examine here, however, none of our characteristics are particularly good predictors of employment status--at least in the sense of predicting who is a leaver--with the possible exception of education.

We also find that stayers and leavers are quite similar to each other when compared to low-income women who have never been on welfare; see Table 1.[11] Having been on welfare at some point is itself a strong indicator of disadvantage.

Table 16 shows how the incomes of stayers compare to those of leavers. Overall incomes of recipients are somewhat lower than those of leavers, leading to a poverty rate of 88 percent compared to that of 76 percent for leavers. The major reason for the difference is the much greater level of earnings among leavers, including that of household members other than the former recipient. Transfer payments are lower for leavers and this cancels out most of the earnings difference, but not quite all. Leavers obtain more child support assistance as well. These results--that higher earnings of leavers are mostly cancelled out by reduced benefits--are consistent with other work comparing incomes of stayers and leavers (e.g., Bavier, 2001).

Because employment is the most distinguishing characteristic among stayers, it is of interest to compare stayers and leavers on this dimension as well. Their sociodemographic characteristics are shown in Table 17. Interestingly, for some of the measures, the employed recipients are worse off than employed leavers--consistent with a more disadvantaged receipient

[11] The major exceptions are functional disability, where stayers and leavers are quite different, and education and network support, where those never on are not very different than leavers and stayers.

population--at the same time that nonemployed leavers, however, are worse off than nonemployed recipients. For example, while 31 percent of employed recipients do not have a high school degree, more than the 19 percent of employed leavers, 46 percent of nonemployed leavers do not have a degree compared to 40 percent of nonemployed recipients. Likewise, employed recipients are younger than employed leavers but nonemployed leavers are younger than nonemployed recipients. Also, more employed recipients have experienced domestic violence than employed leavers, but more nonemployed leavers have as compared to nonemployed recipients. The evidence on health is ambiguous, with one measure indicating that all recipients have worse health than all leavers but another measure indicating that nonemployed leavers have worse health than nonemployed recipients. Also, it is interesting to note that all leavers have higher levels of depression than recipients, perhaps a result of the stress of attempting to make ends meet off welfare, and that nonemployed leavers have the highest levels. In sum, the most notable feature of these comparisons is how disadvantaged the nonemployed leaver population is relative to that nonemployed recipient group.

Their income differences are shown in Table 18. Similar to Danziger (2001), we find that working stayers and working leavers have quite similar monthly household incomes. The poverty rates of working leavers are considerably lower, however, a sign of smaller family sizes. The incomes of working stayers and working leavers are similar because of the same type of cancelling out discussed previously, for the higher earnings of leavers is mostly cancelled out by their reduced benefits. The potential EITC payment is higher for leavers than stayers, and this widens the income gap somewhat and makes leavers somewhat better off. Moreover, while 78 percent of working leavers obtain the EITC, only 49 percent of working stayers do.

The differences between nonworking stayers and nonworking leavers are much larger. Monthly incomes for the two groups are $879 and $719, respectively, leading to higher poverty rates for the leavers than the stayers. The reason for the difference is simple, for nonworking leavers not only have no earnings but they also do not have TANF benefits, putting them in a considerably worse situation than nonworking stayers. Reinforcing this are lower Food Stamp and SSI benefits received by nonworking leavers. Somewhat higher child support payments are a bit of an offset.

This difference between working leavers and stayers, on the one hand, and nonworking leavers and stayers, on the other, is illustrated in Figure 4. Incomes of working and nonworking stayers, while significant, are much smaller than income differences between working and nonworking leavers. The availability of TANF and other benefits for nonworking stayers raises their incomes and compresses the income differences among those on the welfare rolls, while the lack of TANF benefits for leavers allows the income differences between the groups to be very large.

IV. Ethnographic Case Studies

Our survey data portray a stayer population that is very disadvantaged on average, with low levels of education, serious health problems, high levels of domestic violence, and very low employment rates. They are also quite dependent on welfare, on average, for almost three-quarters (73 percent) had been on TANF for the full two years prior to interview, and almost two-thirds (63 percent) received three-quarters or more of their monthly income from welfare sources. But not all women on welfare fit this average portrayal and some are not as disadvantaged as it

implies.

Survey data cannot go far beyond this in detailing the lives of TANF stayers, but ethnographic data have this capability. In this section, we provide illustrations of actual TANF families from our ethnographic component which provide a richer description of lives in which health, domestic violence, and employment problems occur. The ethnographic data also allow us to discern in a way the survey cannot the reasons that women are on TANF, which vary considerably across the caseload. We describe four cases, two of whom are long-termers and two of whom are short-termers or cyclers.

Long-termers. Many of the long-term recipients in our ethnographic data face a multiplicity of problems, including physical and mental health problems, problems of domestic violence, low levels of education, and lack of work experience. They are clearly on welfare because the seriousness of their difficulties would make self-sufficiency off the rolls very problematic. Others, however, have been on welfare for long periods because they are caring for children or adults with health conditions or disabilities that require a substantial investment of time. Many of these mothers feel that they would be unable to find employment that would provide them with the flexibility they needed in order to meet the demands of caregiving.

Multiple problems. Janet is a 40-year-old African-American mother of three. Only Chanice, her 2-year-old daughter, still lives with her. Janet's middle child lives in another region of the country with her father. Janet's oldest child, Ricky, is 21. He lives alone but visits monthly. Ricky's father died when he was 13. At Janet's request, Ricky was often sent to live in

foster homes during his youth. There were times when she knew that she could not properly care for him. Chanice was recently expelled from her early intervention program for pulling children's hair and biting them and her teachers. Janet says that she was using cocaine while pregnant with Chanice.

Chanice's father, Byron, has a violent temper and was recently released from jail. Janet has been with him for four years despite his repeated physical abuse. In fact, she has been in several abusive relationships. Janet's uncle Chris, his wife Lisa, and their two daughters Clara and Tara also live in the three-bedroom apartment. Chris does not work, but his wife is a nurse. Janet believes that Chanice should stay home with her until she is 5 years old rather than attend formal day care and preschool. Social Services has been providing parenting services and monitoring Chanice since Janet was reported for child abuse and neglect. Uncle Chris is Chanice's disciplinarian because, Janet says, she won't listen to her mother. Janet hopes to learn parenting techniques other than yelling. She says that it makes her feel guilty when she yells at Chanice. One thing Janet does to compensate is to watch the Cosby show with Chanice. Janet says "I want her to see positive black people."

Janet moved to Boston on her own when she was 17. She refuses to discuss her life before that time. She became addicted to cocaine shortly after moving to the city. She also sold drugs sometimes because "welfare doesn't give me enough money to survive." Janet stopped selling drugs three years ago and stopped using cocaine six months ago. However, she still smokes two packs of cigarettes a day, and she says she has recently been diagnosed with cancer. Janet has been on welfare for over 20 years, and she receives food stamps. Despite being held back in the 9th and 12th grades, she did graduate from high school. She said she often considered

dropping out when she was in school, but would have missed her friends. It is not clear if she has ever worked for wages. Janet knows that she could attend community college for free, but does not see how the degree would benefit her. Recently she became pregnant again but had an abortion and a tubal ligation.

Caring for children with health problems. Theresa is an African-American woman with three children who have health problems that require medication. Her 5-year-old son has asthma and speech difficulties, her 9-year-old daughter has diabetes and a seizure disorder, and her 13-year-old adopted nephew has attention deficit disorder. Although she wants to work, she said that the medical problems of her diabetic daughter prevent it. She is often called to school to pick up the daughter when she is not feeling well, usually when her blood sugar drops too low; and her daughters seizures require frequent doctors appointments. In addition, she often has to meet with the probation officer assigned to her nephew, who has run away and been absent from school several times. No job, she feels, would give her the flexibility to deal with her caregiving responsibilities. Yet even though she feels she cannot take a steady job, she has spoken to her children about the importance of work.

Theresa sets clear boundaries for her children and gives them age-appropriate responsibilities such as cleaning up after themselves. She doesn't believe in spanking. She discusses important topics with them ranging from good and bad "touching," drugs, and peer pressure to the difficulties of growing up poor and African-American. Moreover, she feels that all the children are old enough to understand why they can't have seconds at meals and why there isn't enough money to buy all the things they want. She;s also very involved in her children's

education and attends parent-teacher meetings at their schools. All of the children have library cards and use the local branches.

In addition to TANF and food stamps, Theresa receives a disability check for her 9-year-old and a stipend from the social services department for raising her nephew. Despite planning meals carefully a week at a time and doing some bulk food shopping, she said, "I cannot afford to feed my children the way they should be fed." She needs to use some of her food stamp money to purchase special snacks for her diabetic daughter. As a result, she has little money for items that tend to be more expensive, such as fresh fruits and vegetables. WIC used to help, but now that her youngest child is 5, she is no longer eligible. A food pantry is nearby, but since welfare reform, she said, they have limited the amount of food she can receive.

Several of the men with whom Theresa has had relationships abused her, sometimes in front of the children. She showed the fieldworker a gap in her mouth where her front teeth should be and said that was the result of one of her relationships. Medicaid won't cover replacing them, she said, and she can't afford to go a dentist on her own. She receives no child support from the fathers of her children. Despite the difficulties of being a single mother, Theresa finds it preferable to having a partner. She enjoys being the boss of her household and said, "I do not need a man to be present in my life or in my household."

Short-termers and cyclers. Other women have been receiving TANF for shorter periods or have been cycling on and off the rolls. Some use welfare benefits for a specific need, such as support during pregnancy and childbirth. Others have financial needs they regard as temporary. A minority are employed. Of those who are, their TANF benefits have been reduced but not

dollar for dollar, leaving them with a higher total income than TANF alone would provide. For many of these women, a period of employment while still receiving TANF appears to be a transition to moving off the rolls.

Cycler. Gina is a 28-year-old Latin American mother of three who lives in a privately owned Section 8 apartment. She just gave birth to her third child, Mike, two months ago. The other two children, Sheila and Mary, are 2 and 6. Mary is a second grade student at a nearby elementary school. Mary's father, James, is no longer romantically involved with Gina, but they remain on good terms. He still visits his daughter. Carlos is Sheila and Mike's father. He has been to prison and was involved in drugs. Carlos takes his children elsewhere when he wants to see them. Neither father lives with Gina and her children.

Gina has used welfare temporarily after the birth of each of her children. She stopped working when she was eight months pregnant with her first child and began receiving TANF, WIC, and food stamps. After about nine months, she left welfare and returned to work. When Sheila was born, she returned to welfare for another stay of several months, then again returned to full-time work. Her short stays on welfare, she said, help her care for her newborns and get back on her feet.

Because of Mike's birth, Gina is back on welfare now. But she said that she will return to work in a few months. She knows that she may need to use TANF in the future and that there is a limit on the number of months she can receive, so she does not want to use too much time now. Since she left work, she has found it difficult to pay all her bills. She said she is constantly asking for loans and that she cannot afford clothing for herself or her children. She depends on

other people to buy disposable diapers. In contrast, she said, when she was working she was able to cover basic expenses and her credit card bills.

Gina has her GED and has worked full-time at a dry cleaners and as a medical assistant. The latter job, which she got through the Internet, included health insurance and vacation time. When she is working, her mother cares for her children on weekdays, and her sister stays over on Friday nights and cares for the children on Saturdays. She said that without the help of her mother and sister, she cannot do anything.

Employed short-termer. Barbara is a 29-year-old European-American woman with a 4-year-old son and a 2-year-old daughter. The two children have different fathers. The older child's father sees his son irregularly and is described by Barbara as unreliable. She cited an occasion during which he was supposed to keep the boy for a long weekend but returned him after a day. Barbara heard that he went to a friend's house and got drunk. Barbara introduced the father of her younger child as her fiancé and said they plan to marry as soon as they have enough money. The fiancé was present during many of the fieldworkers' visits.

Barbara has used her time on welfare to obtain job training and to work part-time. A year earlier, she had completed a training program as a medical office assistant. The agency that trained her hired her for 30 days, but after that she was unable to find a position, even with the help of a career counselor from the agency. Currently, she is working part-time as a teaching assistant at a child care center. Some weeks she works as little as one day, others three of four, but typically two.

To care for her children when she works, Barbara just takes her children with her to the

child care center. The state gives her a voucher that covers the costs. She doesn't have a car and says she doesn't mind walking, even long distances. She gets support from her extended family. During one interview, her brother was there to help out. And she reported that she had lived with her mother for 10 years before moving out (and enduring a period of homelessness). Barbara says she earns about $3,000 per year from her work and about $5,000 per year from TANF. Still, she often finds herself short of money. She was behind in her rent because her son was sick, and both children needed winter clothes. (She doesn't get a clothing allowance for her son because he was born after she was already receiving TANF and falls under the a family cap rule.) All her children's clothes are bought at a Goodwill Industries store. She made no mention of her fiancé contributing to the household income. How soon they will be able to realize their plan to marry isn't clear.

The prospects of leaving the rolls obviously differ for these four women. It is difficult to imagine Janet becoming economically self-sufficient anytime soon. She and women in her comparable life situation are likely to remain on TANF as long as time limits allow and to be candidates for the 20 percent exemption from time limits allowed by PRWORA. Theresa is likely to hold off working as long as it interferes with her caregiving responsibilities despite her positive attitude toward work. In contrast, Gina and Barbara cases may be off TANF before time limits force them off. Each seems to be using TANF strategically--Gina to manage the births of her children, and Barbara to acquire job training and work experience. Neither has a certain future but both foresee a day when they will no longer be receiving cash assistance.

V. Conclusions

Our examination of the characteristics and well-being of women who have remained on the TANF rolls subsequent to welfare reform in three cities has produced several findings:

- Stayers are considerably more disadvantaged than women who have never been welfare recipients in many economic and noneconomic dimensions.
- Stayers are also somewhat more disadvantaged than leavers, but both groups are more similar to each other on many indicators than to women who have never been on welfare.
- The most important characteristic differentiating economic well-being among stayers is employment; employed stayers have considerably higher incomes and lower poverty rates than those who are not employed. Employed stayers have lower TANF benefits than nonemployed stayers, but their higher earnings outweigh those lower benefits. Also, employed stayers have greater educational levels and fewer physical and mental health problems than nonemployed stayers.
- The incomes of employed stayers are lower than those of employed leavers but not by much. The higher earnings of the latter group are largely canceled out by lower TANF and food stamp benefits.
- The incomes of nonemployed stayers are much greater than those of nonemployed leavers. The latter have low incomes because they have neither earnings nor TANF benefits.
- Despite their sociodemographic similarities, stayers differ significantly in their reasons for remaining on welfare and in their prospects for moving off welfare. Long termer

recipients who have multiple problems or who are caring for ill or disabled kin are unlikely to become economically self-sufficient, whereas short-term and cycling recipients who use TANF on a more temporary basis or who are already employed are better candidates for self-sufficiency, although many still face barriers to steady employment.

The main conclusion we draw from our analysis is that many women remaining on welfare are quite disadvantaged. They have low levels of education, serious health problems, high levels of domestic violence, and very low employment rates. The second conclusion we draw is on the importance of employment for economic well-being, for employed women have significantly higher incomes than nonemployed women whether on welfare or off. It is particularly important to note that this holds for women on welfare, where the greater earnings of employed stayers result in incomes much above those of stayers who are not employed. This implies that there are large potential income gains to be had by working and remaining on welfare. In addition, our findings on the incomes of nonemployed leavers imply that there is a large potential income loss associated with any stayer who leaves the rolls and does not secure work. This suggests that policy-makers carefully consider the desirability of supporting employment per se, even on welfare, as opposed to moving women off the welfare rolls, regardless of their employment status when off.

Policy-makers also must reconsider how to serve the most disadvantaged families. Service providers are used to thinking of welfare families as having the lowest incomes and greatest needs, but our study suggests that this is not always the case. Rather, some of the most

impoverished families are no longer receiving TANF, as indicated by our finding that the household incomes of nonemployed leavers are even lower than nonemployed stayers. Agencies in search of parents and children who most need assistance must now look at families off the rolls as well as on.

Appendix A

The Three-City Study

Welfare, Children, and Families: A Three-City Study is an ongoing research project in Boston, Chicago, and San Antonio to evaluate the consequences of welfare reform for the well-being of children and families and to follow these families as welfare reform evolves. The study comprises three interrelated components: (1) a longitudinal in-person survey of approximately 2,500 families with children in low-income neighborhoods, about 40 percent of whom were receiving cash welfare payments when they were interviewed in 1999. Seventy-seven percent of the families have incomes below the poverty line. Seventy-three percent are headed by single mothers, and 23 percent are headed by two parents. They should be thought of as a random sample in each city of poor and near-poor families who live in low-income neighborhoods.[12] Extensive baseline information was obtained on one child per household and his or her caregiver (usually the mother). The caregivers and children will be reinterviewed at 18-month intervals. In addition, at the 36-month mark, a second sample of about 1,250 families,

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[12] Families of different income levels, marital statuses, and welfare recipiency were sampled at different rates. Typically, women who were living in families of higher income levels (between 100 percent and 200 percent of the poverty line), were married, and who were not on welfare were undersampled, and women in families who had incomes below the poverty line, were single mothers, and were on welfare were oversampled. These differential sampling rates reflect the aim of having the largest number of observations among low-income single mother families on welfare, the main group of interest for our study, but allowing us to have observations on women of other income levels, family types, and welfare statuses for comparison. We have survey weights which allow us to generalize our sample to the total population of families with incomes below 200 percent of the poverty line living in low-income neighborhoods in our three cities. We employ these survey weights in all the tabulations reported in this paper. See Winston et al. (1999) for details on weights and sampling.

focused primarily on young parents who are just coming of age and encountering the welfare system for the first time under the new rules, will be selected and interviewed. (2) an embedded developmental study of a subset of about 630 children age 2 to 4 in 1999 and their caregivers, consisting of videotaped assessments of children's behaviors and caregiver-child interactions, observations of child-care settings, and interviews with fathers. (3) an ethnographic study of about 215 families residing in the same neighborhoods as the survey families who will be followed for 12 to 18 months, and periodically thereafter, using in-depth interviewing and participant observation. About 45 of the families in the ethnography include a child with a physical or mental disability. A detailed description of the research design can be found in Winston et al. (1999), available at jhu.edu/~welfare or in hardcopy upon request.

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Support of the following organizations is gratefully acknowledged. Government agencies: National Institute of Child Health and Human Development, Office of the Assistant Secretary for Planning and Evaluation, Administration on Developmental Disabilities, Administration for Children and Families, Social Security Administration, and National Institute of Mental Health. Foundations: The Boston Foundation, The Annie E. Casey Foundation, The Edna McConnell Clark Foundation, The Lloyd A. Fry Foundation, Hogg Foundation for Mental Health, The Robert Wood Johnson Foundation, The Joyce Foundation, The Henry J. Kaiser Family Foundation,W. K. Kellogg Foundation, Kronkosky Charitable Foundation, The John D.

and Catherine T. MacArthur Foundation, Charles Stewart Mott Foundation, The David and Lucile Packard Foundation, and Woods Fund of Chicago.

Appendix B

Welfare Policies in the Three Cities

Massachusetts is operating under its HHS waiver, which is approved through September 2005. Under its waiver plan, it has a time limit of two out of every five years but relatively generous exemptions from those limits and fairly high cash benefits and income eligibility limits compared to the other two states. Massachusetts has no formal diversion policy but does have a family cap and provisions for both full and partial family sanctions.

Texas is also operating under HHS waiver authority. Texas has one-, two-, or three-year time limits (four including a one-year waiting period) assigned on the basis of employability, but it had no lifetime limit as of the time of our interviews (since then Texas has imposed the federal guideline of a five-year lifetime limit). The one-, two-, and three-year time limits do not begin until the recipient is offered an opening in the state employment program. The state has fairly low cash benefit levels and income eligibility limits as well as the least generous earnings disregards of our three states. Texas has less strict sanctions than the other two states and does not have provision for a full family sanction, nor does it have a family cap. Unlike Massachusetts or Illinois, Texas has a diversion policy involving onetime payment and mandatory job search.

Illinois is operating under an approved PRWORA plan with an official five-year lifetime time limit but pays benefits out of state funds for all months in which recipients work or go to school for more than 30 hours per week, effectively stopping the clock. The state has cash

benefit levels and income eligibility limits between those of Massachusetts and Texas but has the most generous earnings disregards of the three. Its sanction policy is less strict than that of Massachusetts, and it does not have a diversion policy. Illinois has the longest time period before work requirements are imposed (24 months).

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Table 1

Sociodemographic Characteristics of Women On and Never On TANF

	On TANF	Never On TANF
Education:		
No degree	39%	35%
HS/GED	24%	28%
Above HS/GED	37%	37%
Age:		
25 or Younger	30%	22%
26-35	44%	35%
36 or More	26%	42%
Children Under 3 in HH	53%	40%
Married	18%	56%
Cohabiting	5%	7%
Number in HH	5.0	4.8
Race:		
African American	49%	24%
Hispanic	48%	70%
White	3%	6%
City:		
Chicago	54%	18%
Boston	28%	32%
San Antonio	18%	50%
Health: Poor or Fair	27%	20%
Functional Disability	26%	8%
Other Characteristics:		
Depression Score Above Clinical Cutoff	11%	4%
Ever Experienced Domestic Violence	70%	51%
Network Support Above Median for Sample	50%	54%
Financial Security Above Median for Sample	50%	66%
Food Security Above Median for Sample	85%	91%

Table 2

Employment Characteristics of Women on and Never on TANF

	On TANF	Never on TANF
Percent Working at Interview	18%	40%
Percent Working FT at Interview[a]	36%	71%
Percent with Health Insurance on Job at Interview[a]	19%	34%
Number of Mths Worked One Year Prior to Interview	2.62	5.65
Number of Months Worked Two Years Prior to Interview	2.37	4.99

Notes:

[a] Of those working

Table 3

Monthly Income and Poverty Characteristics of Women on and Never on TANF

	On TANF	Never on TANF
Total HH Income	$968	$1255
Poverty Rate		
w/o EITC	88%	63%
w EITC	85%	61%
Below 50% Pov Line	41%	38%
Earnings:		
Individual	$89	$321
Others in Household	$160	$718
TANF:		
Individual	$200	$1
Others in Household	$55	$4
Food Stamps:		
Individual	$202	$30
Others in Household	$42	$6
SSI:		
Individual	$64	$11
Others in Household	$58	$36
SSDI:		
Individual	$13	$4
Others in Household	$16	$9
Child Support (total HH)	$27	$33
Help from Friends & Relatives (total HH)	$10	$14
Social Security (total HH)	$29	$26
Other	$3	$42

Table 4

Participation of TANF Recipients in Other Welfare Programs

	On TANF	Never on TANF
Food Stamps	86%	18%
Medicaid	99%	53%
WIC	53%	46%
SSI	22%	7%
Energy Assistance	15%	9%
Emergency Food	14%	6%
Free Clothing	9%	4%
Reduced/Free School Lunch	75%	65%
School Breakfast	75%	60%
Public Housing	72%	24%

Table 5

Sociodemographic Characteristics of Employed and Nonemployed Women on TANF

	Employed	Not Employed
Educ:		
No degree	31%	40%
HS/GED	21%	26%
Above HS/GED	48%	34%
Age:		
25 or Younger	40%	28%
26-35	35%	46%
36 or More	26%	26%
Children Under 3 in HH	45%	55%
Married	31%	15%
Cohabiting	4%	5%
Number in HH	4.8	5.1
Race:		
African American	53%	49%
Hispanic	46%	48%
White	2%	3%
City:		
Chicago	74%	48%
Boston	13%	32%
San Antonio	13%	20%
Health:		
Poor or Fair	18%	29%
Functional Disability	16%	27%
Other Characteristics:		
Depression Score Above Clinical Cutoff	7%	12%
Ever Experienced Domestic Violence	77%	68%
Network Support Above Median for Sample	61%	47%
Financial Security Above Median for Sample	83%	51%
Food Security Above Median for Sample	89%	47%

Table 6

Welfare Recipient Monthly Income, by Employment Status

	Employed	Not Employed
Total HH Income	$1382	$879
Poverty Rate:		
w/o EITC	72%	92%
w EITC	65%	89%
Below 50% Pov Line	18%	46%
Earnings:		
Individual	$454	$0
Others in Household	$317	$140
TANF:		
Individual	$162	$204
Others in Household	$55	$58
Food Stamps:		
Individual	$206	$199
Others in Household	$32	$47
SSI:		
Individual	$76	$62
Others in Household	$32	$63
SSDI:		
Individual	$2	$16
Others in Household	$6	$17
Child Support (total HH)	$19	$30
Help from Friends & Relatives (total HH)	$9	$10
Social Security (total HH)	$12	$28
Other	$0	$5

Table 7

Welfare Recipient Monthly Income, by Education

	High School or More	Less than High School
Total HH Income	$948	$989
Poverty Rate:		
w/o EITC	88%	88%
w EITC	83%	88%
Below 50% Pov Line	42%	40%
Earnings:		
Individual	$107	$66
Others in Household	$182	$113
TANF:		
Individual	$197	$197
Others in Household	$46	$72
Food Stamps:		
Individual	$195	$216
Others in Household	$35	$50
SSI:		
Individual	$58	$68
Others in Household	$47	$74
SSDI:		
Individual	$10	$21
Others in Household	$14	$18
Child Support (total HH)	$23	$31
Help from Friends & Relatives (total HH)	$10	$9
Social Security (total HH)	$16	$32
Other	$8	$22

Table 8

Welfare Recipient Monthly Income, Self-Reported Health Status

	Excellent or Good	Fair or Poor
Total HH Income	$967	$1009
Poverty Rate:		
w/o EITC	86%	86%
w EITC	81%	86%
Below 50% Pov Line	41%	36%
Earnings:		
Individual	$112	$57
Others in Household	$221	$120
TANF:		
Individual	$203	$189
Others in Household	$44	$75
Food Stamps:		
Individual	$201	$216
Others in Household	$35	$50
SSI:		
Individual	$30	$131
Others in Household	$35	$70
SSDI:		
Individual	$14	$20
Others in Household	$10	$27
Child Support (total HH)	$40	$11
Help from Friends & Relatives (total HH)	$13	$5
Social Security (total HH)	$3	$27
Other	$6	$11

Table 9

Welfare Recipient Monthly Income, by Functional Disability

	Health Does Not Limit or Prevent Work	Health Limits or Prevents Work
Total HH Income	$936	$1033
Poverty Rate:		
w/o EITC	89%	87%
w EITC	85%	87%
Below 50% Pov Line	45%	30%
Earnings:		
Individual	$101	$58
Others in Household	$177	$88
TANF:		
Individual	$214	$162
Others in Household	$45	$77
Food Stamps:		
Individual	$208	$192
Others in Household	$42	$41
SSI:		
Individual	$25	$176
Others in Household	$57	$67
SSDI:		
Individual	$3	$39
Others in Household	$11	$26
Child Support (total HH)	$32	$14
Help from Friends & Relatives (total HH)	$10	$13
Social Security (total HH)	$6	$76
Other	$5	$4

Table 10

Welfare Recipient Monthly Income, by Race

	African-American	Hispanic
Total HH Income	$1027	$964
Poverty Rate:		
w/o EITC	85%	91%
w EITC	82%	88%
Below 50% Pov Line	40%	40%
Earnings:		
Individual	$104	$82
Others in Household	$120	$225
TANF:		
Individual	$205	$185
Others in Household	$59	$63
Food Stamps:		
Individual	$225	$180
Others in Household	$46	$61
SSI:		
Individual	$77	$52
Others in Household	$49	$65
SSDI:		
Individual	$17	$10
Others in Household	$16	$11
Child Support (total HH)	$29	$21
Help from Friends & Relatives (total HH)	$15	$4
Social Security (total HH)	$62	$3
Other	$3	$2

Table 11

Welfare Recipient Monthly Income, by Marital Status

	Married	Not Married
Total HH Income	$1127	$925
Poverty Rate:		
w/o EITC	85%	89%
w EITC	76%	88%
Below 50% Pov Line	26%	45%
Earnings:		
Individual	$176	$78
Others in Household	$356	$85
TANF:		
Individual	$141	$216
Others in Household	$71	$54
Food Stamps:		
Individual	$150	$219
Others in Household	$27	$47
SSI:		
Individual	$55	$64
Others in Household	$111	$55
SSDI:		
Individual	$3	$15
Others in Household	$20	$14
Child Support (total HH)	$13	$30
Help from Friends & Relatives (total HH)	$2	$11
Social Security (total HH)	$2	$33
Other	$0	$4

Table 12

Welfare Recipient Monthly Income, by Age

	25 and Under	25 to 36	36 and Over
Total HH Income	$914	$944	$1073
Poverty Rate:			
w/o EITC	86%	92%	84%
w EITC	85%	86%	84%
Below 50% Pov Line	46%	44%	28%
Earnings:			
Individual	$85	$104	$91
Others in Household	$193	$158	$88
TANF:			
Individual	$200	$202	$187
Others in Household	$41	$57	$71
Food Stamps:			
Individual	$198	$223	$178
Others in Household	$52	$34	$47
SSI:			
Individual	$55	$37	$133
Others in Household	$31	$59	$94
SSDI:			
Individual	$1	$5	$40
Others in Household	$11	$14	$23
Child Support (total HH)	$24	$37	$16
Help from Friends & Relatives (total HH)	$10	$9	$10
Social Security (total HH)	$7	$2	$91
Other	$6	$3	$4

Table 13

Welfare Recipient Monthly Income, By Presence of Children Under Three

	Children Under Three	No Children Under Three
Total HH Income	$960	$979
Poverty Rate:		
w/o EITC	88%	88%
w EITC	87%	82%
Below 50% Pov Line	45%	35%
Earnings:		
Individual	$81	$99
Others in Household	$204	$109
TANF:		
Individual	$198	$200
Others in Household	$50	$60
Food Stamps:		
Individual	$210	$191
Others in Household	$45	$39
SSI:		
Individual	$36	$100
Others in Household	$32	$87
SSDI:		
Individual	$4	$24
Others in Household	$13	$19
Child Support (total HH)	$38	$16
Help from Friends & Relatives (total HH)	$9	$10
Social Security (total HH)	$35	$23
Other	$5	$2

Table 14

Welfare Recipient Monthly Income, by City

	Chicago	Boston	San Antonio
Total HH Income	$1049	$1005	$851
Poverty Rate:			
w/o EITC	90%	82%	93%
w EITC	89%	80%	86%
Below 50% Pov Line	34%	42%	46%
Earnings:			
Individual	$173	$53	$42
Others in Household	$79	$123	$278
TANF:			
Individual	$236	$238	$125
Others in Household	$58	$86	$21
Food Stamps:			
Individual	$253	$139	$213
Others in Household	$55	$36	$34
SSI:			
Individual	$46	$72	$74
Others in Household	$57	$91	$25
SSDI:			
Individual	$13	$17	$10
Others in Household	$11	$32	$4
Child Support (total HH)	$29	$38	$14
Help from Friends & Relatives (total HH)	$13	$13	$3
Social Security (total HH)	$14	$65	$7
Other	$12	$2	$1

Table 15

Sociodemographic Characteristics of TANF Recipients and Leavers

	Recipient	Leaver
Educ:		
No degree	39%	32%
HS/GED	24%	21%
Above HS/GED	37%	46%
Age:		
25 or Younger	30%	35%
26-35	44%	40%
36 or More	26%	25%
Children Under 3 in HH	53%	51%
Married	18%	18%
Cohabiting	5%	8%
Number in HH	5.0	4.7
Race:		
African American	49%	49%
Hispanic	48%	47%
White	3%	4%
City:		
Chicago	54%	31%
Boston	28%	42%
San Antonio	18%	27%
Health:		
Poor or Fair	27%	25%
Functional Disability	26%	11%
Other Characteristics:		
Depression Score Above Clinical Cutoff	11%	14%
Ever Experienced Domestic Violence	70%	65%
Network Support Above Median for Sample	50%	52%
Financial Security Above Median for Sample	50%	50%
Food Security Above Median for Sample	85%	80%

Table 16

Monthly Income, TANF Recipients and Leavers

	Recipients	Leavers
Total HH Income	$968	$1081
Poverty Rate:		
w/o EITC	88%	76%
w EITC	85%	70%
Below 50% Pov Line	41%	40%
Earnings:		
Individual	$89	$505
Others in Household	$160	$264
TANF:		
Individual	$200	$2
Others in Household	$55	$5
Food Stamps:		
Individual	$202	$82
Others in Household	$42	$16
SSI:		
Individual	$64	$5
Others in Household	$58	$55
SSDI:		
Individual	$13	$15
Others in Household	$16	$12
Child Support (total HH)	$27	$66
Help from Friends & Relatives (total HH)	$10	$17
Social Security (total HH)	$29	$12
Other	$3	$25

Table 17

Sociodemographic Characteristics of TANF Recipients and Leavers, by Employment Status

	Recipient		Leaver	
	Employed	Not Employed	Employed	Not Employed
Educ:				
No degree	31	40	19	46
HS/GED	21	26	25	18
Above HS/GED	48	34	55	36
Age:				
25 or Younger	40	28	36	34
26-35	35	46	41	38
36 or More	26	26	23	28
Children Under 3 in HH	45	55	49	53
Married	31	15	16	20
Cohabiting	4	5	7	9
Number in HH	4.8	5.1	4.5	4.9
Race:				
African American	53	49	51	48
Hispanic	46	48	46	47
White	2	3	3	5
City:				
Chicago	74	48	28	33
Boston	13	32	45	38
San Antonio	13	20	27	28
Health:				
Poor or Fair	18	29	16	36
Functional Disability	16	27	5	17
Other Characteristics:				
Depression Score Above Clinical Cutoff	3	12	10	18
Ever Experienced Domestic Violence	77	68	61	70
Network Support Above Median for Sample	61	47	54	52
Financial Security Above Median for Sample	51	51	55	47
Food Security Above Median for Sample	90	83	82	76

Table 18

Monthly Income of TANF Recipients and Leavers, by Employment Status

	Recipient		Leaver	
	Employed	Not Employed	Employed	Not Employed
Total HH Income	$1382	$879	$1396	$719
Poverty Rate:				
w/o EITC	72%	92%	60%	94%
w EITC	65%	89%	50%	93%
Below 50% Pov Line	18%	46%	16%	66%
Earnings:				
Individual	$454	$0	$951	$0
Others in Household	$317	$140	$221	$316
TANF:				
Individual	$162	$204	$1	$2
Others in Household	$55	$58	$1	$9
Food Stamps:				
Individual	$206	$199	$81	$83
Others in Household	$32	$47	$6	$27
SSI:				
Individual	$76	$62	$1	$9
Others in Household	$32	$63	$43	$65
SSDI:				
Individual	$2	$16	$2	$29
Others in Household	$6	$17	$11	$13
Child Support (total HH)	$19	$30	$36	$97
Help from Friends & Relatives (total HH)	$9	$10	$11	$25
Social Security (total HH)	$12	$28	$19	$6
Other	$0	$5	$12	$38

Table C-1

Socioeconomic Characteristics of the Three-City Sample

	Total	Boston				Chicago				San Antonio		
		Total	W	B	H	Total	W	B	H	Total	B	H
Education												
Less than HS or GED	34.5	25.4	29.6	17.2	31.6	45.3	25.6	45.0	50.7	33.9	20.5	35.7
HS or GED	49.4	55.9	52.8	59.7	51.6	44.4	47.6	47.3	31.9	46.7	58.1	46.3
More than HS or GED	16.1	18.6	17.6	23.2	16.8	10.3	26.8	7.6	17.4	19.4	21.4	18.0
Age												
Less than 25	25.1	20.5	15.0	22.3	20.0	27.6	21.2	28.2	28.0	28.3	33.1	28.2
25-35	39.6	40.9	29.1	39.9	43.8	34.9	25.6	32.4	43.7	43.3	33.6	43.3
36+	35.2	38.6	55.9	37.8	36.1	37.5	53.2	39.3	28.3	28.4	33.4	28.5
Married	30.6	22.8	31.9	12.9	29.0	23.9	16.6	12.5	64.1	48.4	16.1	50.7
Children under 3 in household	40.3	37.7	32.5	36.2	39.4	44.0	23.7	44.9	40.4	39.6	45.5	38.1

Table C-1 (continued)

	Total	Boston				Chicago				San Antonio		
		Total	W	B	H	Total	W	B	H	Total	B	H
Health												
Excellent or Very Good	43.1	46.4	42.3	52.4	42.2	40.8	42.8	42.6	35.1	41.5	34.8	41.1
Good	33.6	32.0	27.7	27.7	35.6	33.2	29.8	30.9	38.7	36.0	32.1	36.9
Fair or Poor	23.3	21.5	30.0	19.8	22.2	26.0	27.4	26.4	26.2	22.5	33.1	22.0
Family Size	4.5	4.1	4.0	4.0	4.1	4.9	4.1	4.8	5.1	4.7	3.8	4.8
Number of Observations	2458	926	133	330	428	818	69	400	339	714	294	407

Notes:
W=Non-Hispanic White
B=Non-Hispanic Black
H=Hispanic

Table C-2

TANF Participation Status of the Three-City Sample
(percent distribution)

	Total	Boston				Chicago				San Antonio		
		Total	W	B	H	Total	W	B	H	Total	B	H
On TANF at int date	28.8	24.4	18.9	22.4	27.6	45.2	32.4	55.2	15.7	15.6	27.2	14.6
Not on TANF at int date, on TANF in two years prior	12.3	14.6	15.9	16.6	13.8	12.7	15.7	15.1	5.2	9.0	15.6	8.5
Not on TANF in two years prior, on TANF/AFDC more than two years prior	21.4	24.0	29.7	25.8	22.2	20.8	22.6	21.4	17.9	18.6	31.3	17.7
Never on AFDC/TANF	37.3	36.3	35.4	34.8	35.2	21.3	29.2	8.3	61.2	56.8	25.6	59.2

Notes:
W Non-Hispanic White
B Non-Hispanic Black
H Hispanic

Table C-3

Welfare Dynamics in the Three-City Sample: TANF Transition Rates from Year1 to Year2

Year 1 (No. Months On TANF)	Year 2 TANF Participation (No. Months on TANF)					
	10-12	7-9	4-6	1-3	0	Total
10-12	80.7	5.5	5.6	5.0	3.2	100.0
	86.2	56.3	43.7	43.3	1.5	29.7
7-9	40.3	2.2	7.6	13.3	36.6	100.0
	3.7	1.9	5.1	9.8	1.5	2.5
4-6	47.1	4.4	5.2	8.2	35.1	100.0
	3.1	2.7	2.5	4.3	1.0	1.8
1-3	44.5	3.3	22.2	1.6	28.4	100.0
	3.7	2.6	13.8	1.1	1.1	2.4
0	1.4	1.7	2.1	2.3	92.6	100.0
	3.3	36.5	34.8	36.5	94.9	63.7
Total	27.8	2.9	3.8	3.4	62.1	100.0
	100.0	100.0	100.0	100.0	100.0	100.0

Notes:

Entries show row percents above and column percents below

Figure 1: Per Capita TANF Recipiency by State and Nationwide, 1991-2001

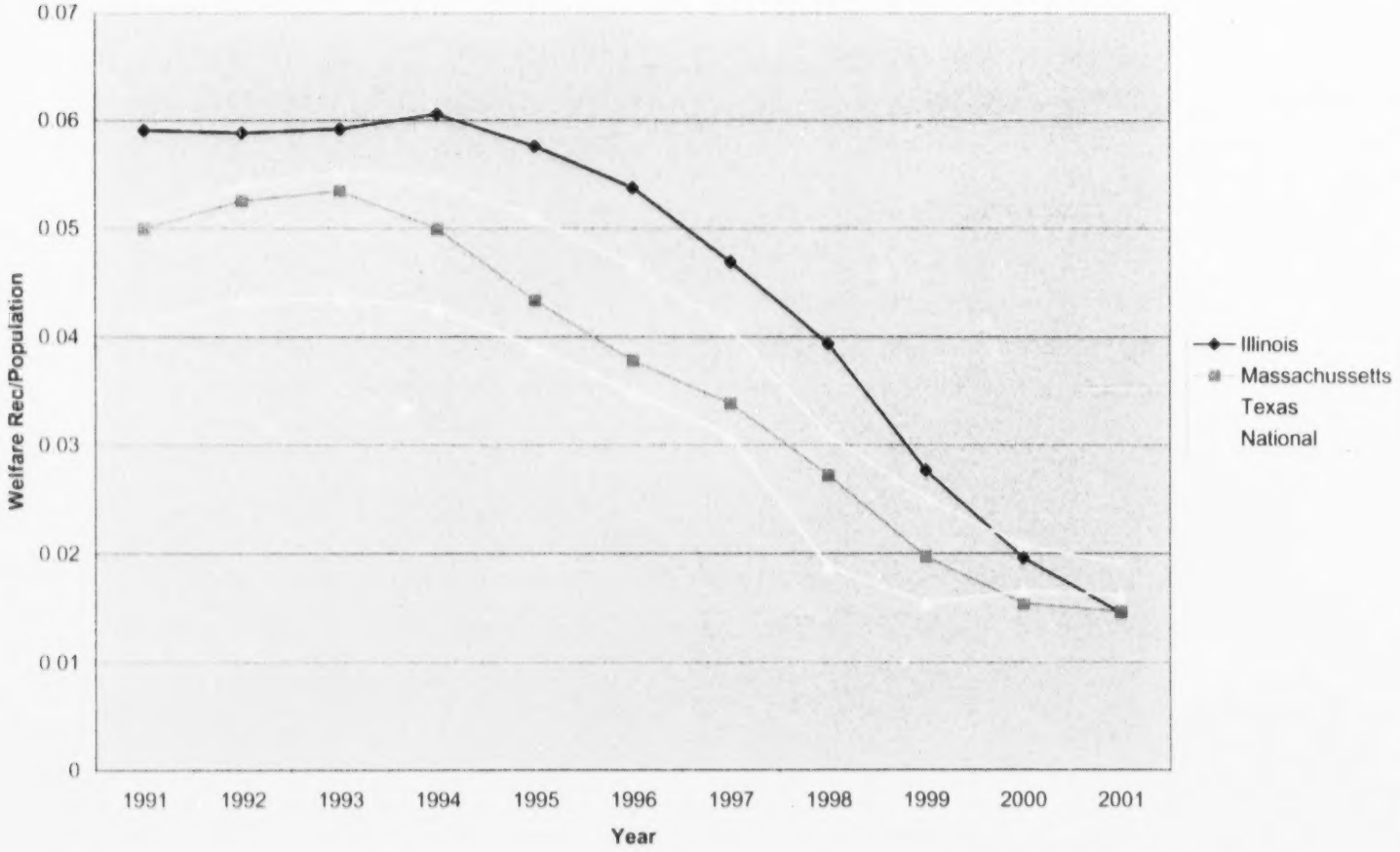

Figure 2: Unemployment Rate by State and Nationwide, 1991-2001

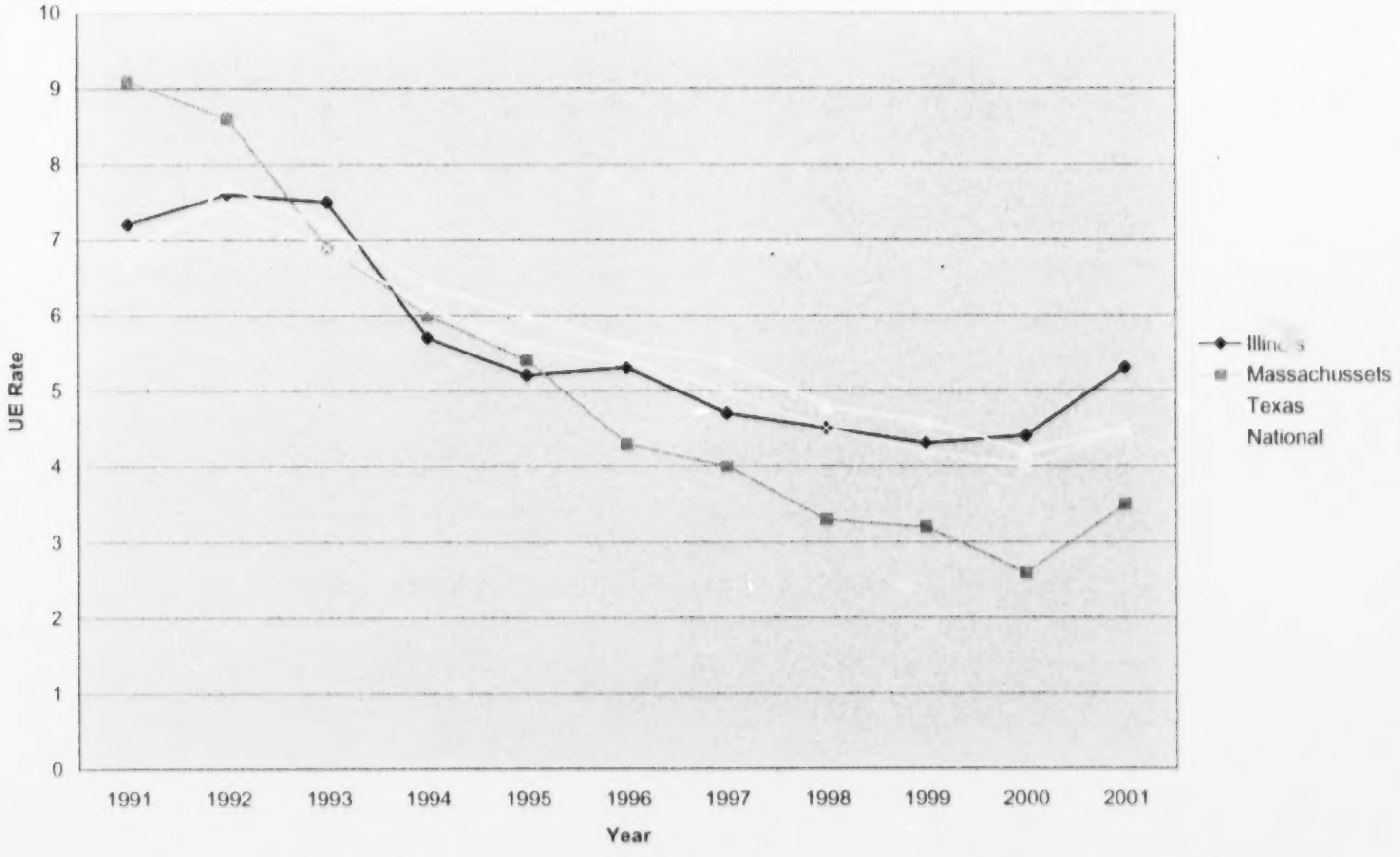

Figure 3: Employment-Population Ratio by State and Nationwide, 1991-2001

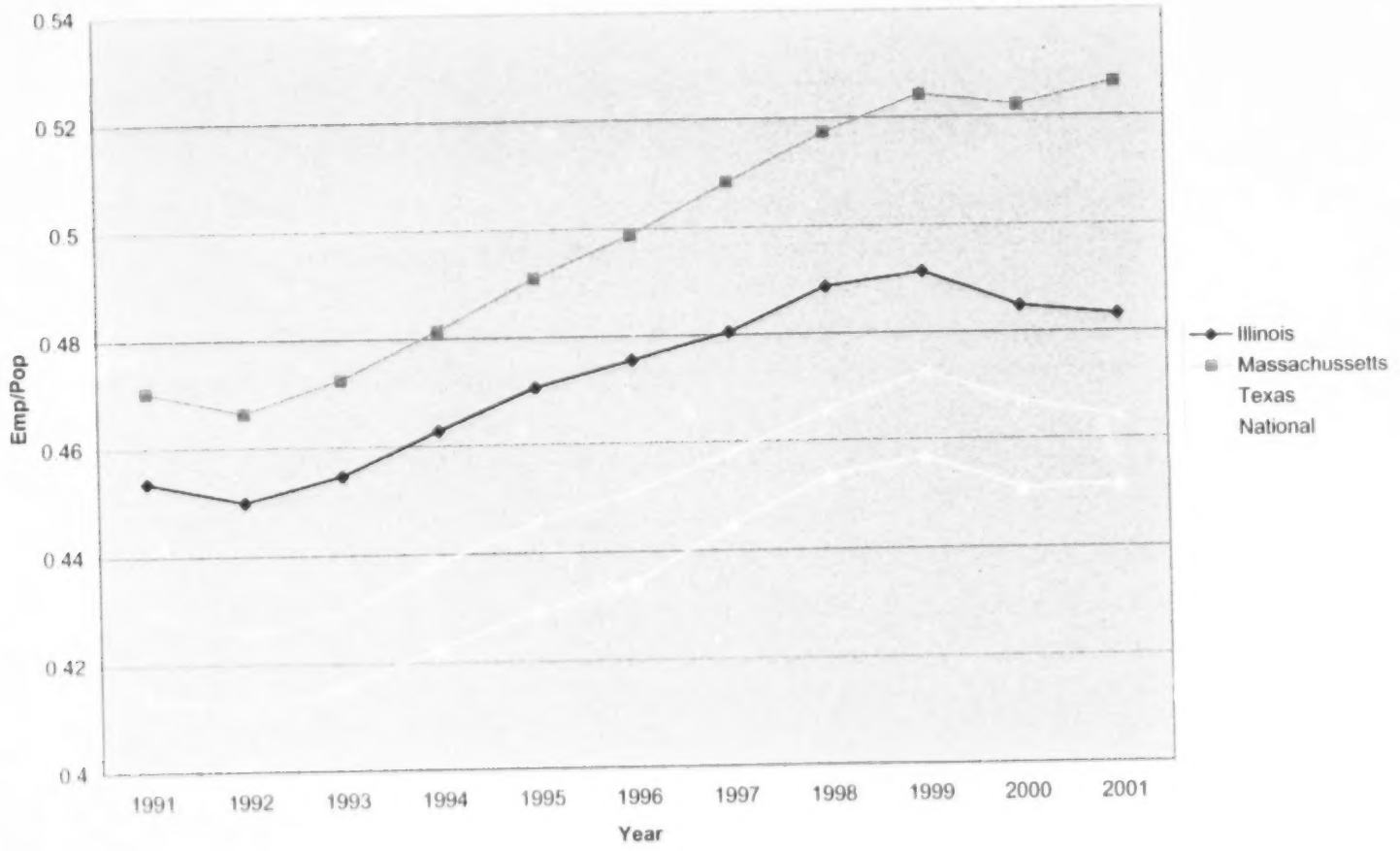

Figure 4: Monthly Household Income, by Employment and Welfare Status